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# DESTINATION BRAND PERFORMANCE MEASURES – A CONSUMER BASED BRAND EQUITY APPROACH

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## **Abstract**

*Destination marketing organisations worldwide are increasingly focusing attention towards the development of place brand campaigns. However, there has been relatively little research on the topic reported in the academic literature. In particular there is a paucity of research relating to performance measures for destination brand campaigns. The paper reports the measurement of consumer based brand equity for a competitive set of destinations in Australia. Measures of brand salience, brand associations and brand resonance, in the context of domestic short break holidays, provides benchmarks for which a competitive set of destinations are able to track the future performance of their respective brand campaigns in their most important market. The model is applicable for destinations in other parts of the world.*

**Keywords:** Destination brand equity, performance measures, short break holidays,  
destination marketing organisations

## **INTRODUCTION**

Although destination marketing organisations (DMOs) world-wide are increasingly focusing attention towards the development of place brand campaigns, there has been relatively little research on the topic reported in the academic literature. The field only began in earnest during the late 1990s, with the first conceptual destination branding paper published by Ritchie and Ritchie (1998), and the first text edited by Morgan, Pritchard and Pride (2002). While there have been a number of case studies published in the time since (see for example a summary by Pike, 2004, pp. 80-86), there remains a dearth of destination-specific literature to guide DMOs. In particular, there is a paucity of research relating to destination brand performance measures. There is however a wealth of material in the general brand literature with the potential for adaptation to tourism. One model of potential value that has not been reported in the tourism literature is the concept of consumer based brand equity (CBBE). Introduced by Aaker (1991, 1996), and more recently promoted by Keller (2003), the concept is based on the view that measures of market attitudes towards a brand underpin any valuation of brand equity on the balance sheet. The CBBE model appears ready made for DMOs, for which the traditional monetary based brand equity is of dubious value. However, no applications have been sourced in the tourism and branding literature. The lack of research represents a significant gap, particularly given assertions that the future of marketing will be a "battle of brands, a competition for brand dominance" (Aaker 1991 p. ix, de Chernatony 1993, p. 173), and that in the travel industry destinations are emerging as the biggest brands (Morgan, Pritchard & Pride, 2002).

This paper reports the use of CBBE as a brand performance measure for a competitive set of destinations in



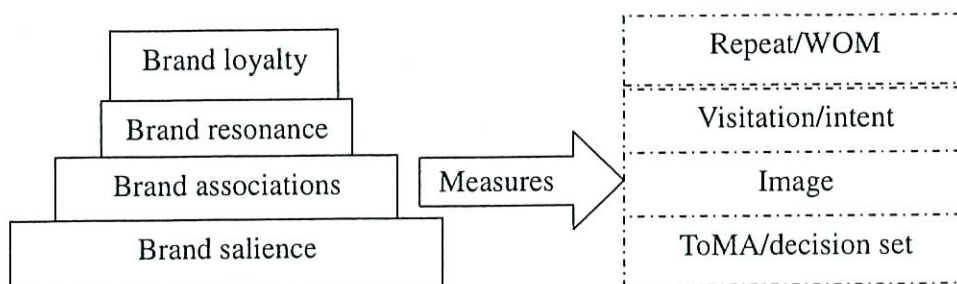
the state of Queensland, Australia. There are 14 tourisms officially recognised and supported by the state tourism organisation (STO), Tourism Queensland (see [www.tq.com.au](http://www.tq.com.au)). The STO provides financial and human resources to each regional tourism organisation (RTO) for the development of destination brands. In recent years most of the RTOs have developed new brand campaigns for use in the Brisbane market. Brisbane, the state capital, is the most important market in terms of visitor arrivals for numerous contiguous destinations in Queensland and northern New South Wales.

The travel context is domestic short break holidays by car for residents of Brisbane. Drive tourism is a significant aspect of domestic travel behaviour in Australia. It has been estimated 76 per cent of domestic travel involves private vehicles (BTR, 2002). Intrastate drive tourism is also significant, with 70% travelling within the state of residence. The mean length of stay for these travellers was three nights. In Queensland, BTR estimated short breaks of 1-3 nights represented 68% of the drive market, while short tours of 4-7 nights represented a further 19%. Short breaks have emerged as one of the fastest growing travel segments in recent years, but there has been little research attention in Australasia, even though almost two decades ago, Mackay's (1988) analysis of Australian perceptions towards travel identified 'mini breaks' as one of seven major opportunities for tourism and travel marketers. Apart from a report by Tourism Queensland (1997) no research has been published in relation to Queensland short breaks. In recent years there has been little growth in Australian domestic travel (TFC 2000, 2001). TFC forecast total domestic visitor nights to increase by only 0.3% per annum until 2012. However, the past and forecast growth rate of short breaks is less clear within published aggregated data associated with domestic tourism. Following previous studies (see Fache 1994, Euromonitor 1987, Pike 2002) a short break was defined as a non-business trip of between one and five nights duration away from the home environment.

## LITERATURE REVIEW

Although there has been relatively little published in the tourism literature on destination branding. The first conceptual paper was published by Ritchie and Ritchie (1998), the first conference session was reported by Gnoth (1998), and the first edited text compiled by Morgan, Pritchard and Pride (2002). Most of the papers published since 1998 have a strong practical focus on reporting the development of destination brands (see for example Crockett & Wood 1999, Curtis 2001, Hall 1999, Morgan, Pritchard & Pride 2002, May 2001, Pride 2002). Other than Curtis' report on the development of Oregon's brand during the 1980s and 1990s, there has been little analysis of the effectiveness of destination brands over time. However, there is a wealth of general branding literature of value to destination marketers (see for example Aaker 1991, 1996, McEnally & de Chernatony 1999, Urde 1999, Aaker & Joachimsthaler 2000, Keller 1993, 2003, Morgan 2003). In terms of brand performance measures, the concept of CBBE offers a structured approach for adaptation by DMOs. Following Aaker (1991, 1996) and Keller (2003), CBBE for a destination is conceptualised as a hierarchy of brand salience, brand associations, brand resonance and brand loyalty. As shown in Figure 1, *salience* is the foundation of the hierarchy, since the level of awareness of a destination is an important measure. However, awareness is simply the ticket to enter the game, with consumers aware of countless destinations. Rather, it is important to be remembered for the right reasons, hence the importance of *associations* of a destination with attributes and benefits for a given holiday type. This also is insufficient unless there is *resonance* with the brand in terms of visitation or at least intent to visit. The highest level of the hierarchy is brand *loyalty*, represented by repeat visitation and word of mouth (WOM) recommendations.

Figure 1: Hierarchy of consumer-based brand equity for destinations





## METHODOLOGY

The project took place during the Autumn months of April to June 2003. This was a period when the War in Iraq and the SARS virus were significantly impacting on international travel, and many nations were rediscovering the importance of domestic markets during such times of international uncertainty. For example, by February 2002 in the September 11 aftermath the Pacific Asia Travel Association (PATA) had expressed concern at the trend towards stronger domestic promotion in many PATA countries (PATA, 2002). PATA's concern was due to the potential for discouraging outbound travel, which would result in lower inbound arrivals within the region, and therefore further impact on airline profitability. Autumn in subtropical Brisbane includes school and tertiary education holidays, Queensland Labour Day, Easter weekend and ANZAC day public holiday.

**Table 1 – Characteristics of participants**

		<b>n</b>	<b>Valid %</b>
Gender	Male	199	38.0%
	Female	324	62.0%
	Total	521	
	Missing	2	
Age	18-24	16	3.1%
	25-44	212	40.6%
	45-64	244	46.7%
	65+	50	9.6%
	Total	522	
	Missing	1	
Annual household income	Less than \$78,000	372	73.2%
	\$78,000 or more	136	26.8%
	Total	508	
	Missing	15	
Marital status	Single	57	10.9%
	Married/permanent partner	395	75.7%
	Separated, divorced, widowed	70	13.4%
	Total	522	
	Missing	1	
Number of dependent children	0	283	54.1%
	1-2	182	34.8%
	3+	56	10.7%
	Total	521	
	Missing	2	
Highest level of education	High school	211	40.6%
	TAFE	123	23.7%
	University graduate	164	31.5%
	Other	22	4.2%
	Total	520	
	Missing	3	

Brand salience, brand associations and brand resonance were operationalised by measures of: unaided awareness to identify the participant's top of mind awareness (ToMA) destination and other destinations in the decision set; cognitive and affective attribute scales; and, stated intent to visit. Measures of brand loyalty were not included in this study. Using a longitudinal design, two questionnaires were distributed in the Brisbane market, three months apart. In March 2003 the first questionnaire was mailed to a systematic random sample of 3000 Brisbane households selected from the telephone white pages. This instrument used unaided awareness questions to identify those destinations considered top of mind for short breaks, and a battery of attribute importance scales, which was developed from a previous study of short breaks in New

Zealand (see Pike, 2003) and a review of studies relating to Australian domestic travel. The cover letter asked the adult in the household who would next celebrate their birthday to participate. An incentive prize of a short break at a mystery destination was offered to participants. This resulted in a useable response rate of 19.1% (n = 523), which was considered satisfactory given the longitudinal nature of requested participation. Characteristics of participants, which are show in Table 1, were generally similar to those of the Brisbane census population. However, there was a higher ratio of females and a lower level of those aged 18-24 years. The second questionnaire was mailed to 486 participants of the first stage who supplied contact details. This instrument required participants to i) list any destinations visited for a short break by car during the previous three months, ii) rate the performance of a competitive set of destinations across a range of cognitive and affective scales, and iii) indicate the likelihood of visiting each for a short break during the next 12 months. Again, an incentive holiday prize was offered to participants. This attracted a useable response rate of 63% (n = 308).

## FINDINGS

### Brand salience

The unaided awareness questions in the first questionnaire elicited a total of 86 ToMA destinations from participants. For reporting succinctness the list has been categorised by regional tourism organisation (RTO) region. As shown in Table 2 the most popular destination region was the Sunshine Coast, which was listed by almost half of the sample (45%). This was over double the number who listed the second most popular region.

**Table 2 - ToMA Destinations by RTO region**

Region	Frequency	Valid Percent
Sunshine Coast	231	45.1%
Gold Coast	96	18.8%
Northern NSW	57	11.1%
Fraser Coast	33	6.4%
Darling Downs	20	3.9%
Brisbane/Moreton Bay islands	17	3.3%
Coral Coast	11	2.1%
Discovery Coast	7	1.4%
Capricorn Coast	7	1.4%
Other NSW	6	1.2%
Other	27	5.3%
Missing	11	
<b>Total</b>	<b>523</b>	

The mean number of destinations listed in decision sets was 3.8, which was consistent with Pike's (2002) New Zealand short break study. Two thirds of participants indicated a range of between two and four destinations, which is consistent with overseas studies interested in other travel contexts (see for example Thompson & Cooper 1979, Woodside & Lysonski 1989). Including the ToMA destinations, over 120 places were elicited from participants. This clearly indicates the range of available destinations, and therefore competition, is extensive. Brisbane residents are literally spoilt by choice of contiguous destinations. Practically, the decision set size has serious implications for those destinations not listed. Given half of the sample indicated a likelihood of taking a short break within the next three months, these destinations are less likely to be considered in the selection process. It is this proposition that is the focus of the longitudinal stage.



## Brand associations

The results for attribute importance are shown in Table 3. On this seven point scale, anchored at 'not important' (1) and 'very important' (7). The highest rating attributes were 'good value for money', 'safe destination', 'suitable accommodation' and 'pleasant climate'. It is not surprising that accommodation rated so highly, given Pike (2002) reported a similar result with short break holidays in New Zealand and that BTR (2002) found accommodation represented the largest item of expenditure for Australian domestic travellers. Although a 'no opinion' option was provided separate from the rating scale, this was only used in a small number of cases, indicating understanding of each attribute. For example, only one participant used the non-response option for each of the top three attributes. Table 3 also lists the perceived performance of the competitive set of destinations in comparison to the attribute importance means. The highest rating destination for each attribute has been highlighted in bold. The Sunshine Coast's leadership position is consistent with the ToMA/decision set results.

Table 3 - Attribute importance and performance

	Importance	Coral Coast	Fraser Coast	Sunshine Coast	Gold Coast	NSW
Within a comfortable drive	5.4	3.6	4.5	6.3	<b>6.5</b>	<b>6.5</b>
A safe place	6.0	5.5	5.7	<b>6.2</b>	5.4	5.6
Suitable accommodation	5.9	5.2	5.4	<b>6.3</b>	6.1	5.5
Pleasant climate	5.8	5.9	6.2	<b>6.5</b>	6.4	5.9
Good value for money	6.0	5.5	5.3	<b>5.7</b>	5.0	5.2
High levels of service	5.4	4.9	4.9	<b>5.6</b>	5.3	5.1
Good beaches	5.3	5.1	5.8	<b>6.3</b>	6.1	6.0
Lots to see and do	4.8	5.0	5.4	5.9	<b>6.0</b>	5.6
Relaxing	4.8	<b>5.6</b>	5.5	5.2	2.9	5.1
Places for walking	4.1	5.4	<b>6.1</b>	5.7	4.2	5.8
Places for fishing/boating	3.4	5.7	<b>6.2</b>	5.9	5.2	5.7
Good cafes/restaurants	5.0	4.7	4.7	<b>6.0</b>	6.0	5.3
Friendly people	5.0	5.4	5.4	<b>5.7</b>	4.8	5.4

## Brand resonance

Significantly, 92 per cent of participants indicated having previously visited their ToMA destination. Intent to visit each destination for a short break during the next 12 months was measured using a seven point scale anchored at 'definitely not' (1) and 'definitely' (7). Again the leadership position was the Sunshine Coast (6.0), followed by the Gold Coast (5.5), Northern New South Wales (4.3), Fraser Coast (3.9) and Coral Coast (3.0).

## CONCLUSIONS

The results provide measures of brand salience, brand associations and brand resonance for a competitive set of destinations in their most important market, in the context of short breaks by car. In a series of meetings with the regional tourism organisations (RTO), it was found the results represented the first data on short break holiday perceptions. Since four of these destinations had recently developed new brands, the data therefore provides benchmarks for each RTO to track the future effectiveness of the campaigns in this market over time. For the Coral Coast for example, the results indicate the destination has weak consumer-based brand equity in its most important market. While the hierarchy of *brand salience*, *brand associations* and *brand resonance* does not provide a single measure of consumer-based brand equity, the structure of the



results does provide useful indicators, for which the effectiveness of future promotional activity can be evaluated. For example, the first objective of the new destination brand campaign was to increase awareness of the region. In the hierarchy, this was operationalized through unaided ToMA/decision set questions to measure salience rather than simply awareness. *Brand salience* is the foundation of the hierarchy, and the results clearly highlight the challenge facing the destination in what is a crowded and competitive market. The second objective was to stimulate interest in and travel to the destination. *Brand resonance* was operationalised by stated intent to visit for the next 12 months and actual visitation. While half of the sample had visited the destination in the previous five years, stated intent to visit was the lowest of the competitive set of destination. The third objective was to educate consumers about what there is to see and do. *Brand associations* were measured by asking participants to rate the performance of a competitive set of destinations across a list of determinant attributes. The results highlighted a leadership position on one attribute, which should be reinforced in future promotions. The results were of concern, but, given the exploratory findings of the STO's consumer focus groups, were not a complete surprise to the local tourism community. Repeating the methodology at a future point in time will enable an effective assessment of success for each of the destination's three brand objectives. For an emerging destination with very little formal market research, it is suggested the hierarchy provides an important means of accountability to stakeholders. In this regard a similar study is planned for 2006 to investigate any changes in attitudes in relation to the new campaigns. With this in mind it is suggested the CBBE model offers a structured approach towards measuring performance of branding initiatives by DMOs, at all levels, in other parts of the world.

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